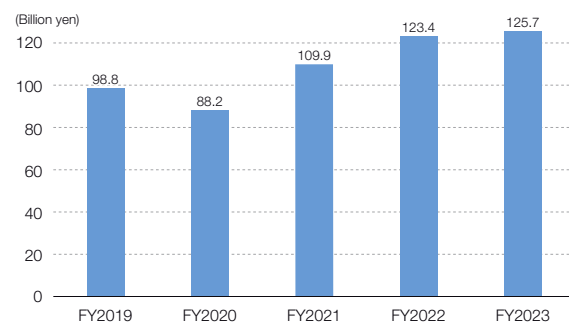


Overview of Value Creation

Financial and Non-financial Highlights

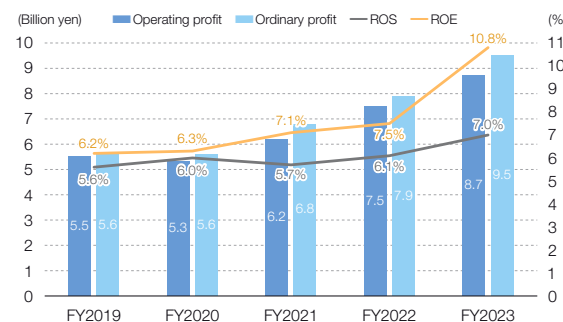
Economic Value

Net Sales (Consolidated)



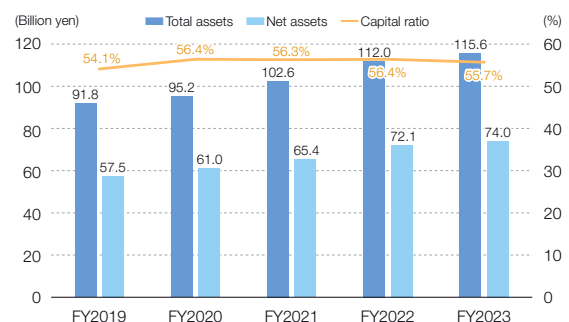
Consolidated net sales set a record high for three years in a row due to increase in sales volume, optimization of product prices, effects of yen depreciation, and other factors.

Operating Profit, Ordinary Profit, ROS, and ROE (Consolidated)



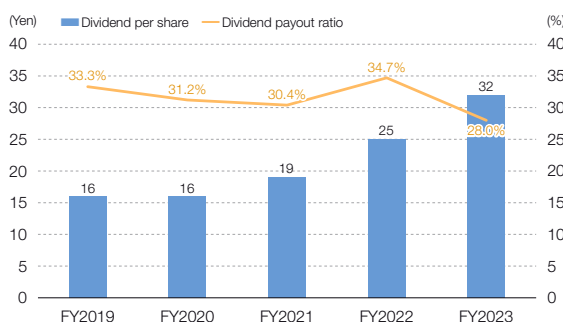
Each profit set a record high for three years in a row. Return on sales (ROS) for FY2023 also set a record high. Return on equity (ROE) for FY2023 includes gains on sale of cross-shareholdings.

Total Assets, Net Assets, and Capital Ratio (Consolidated)



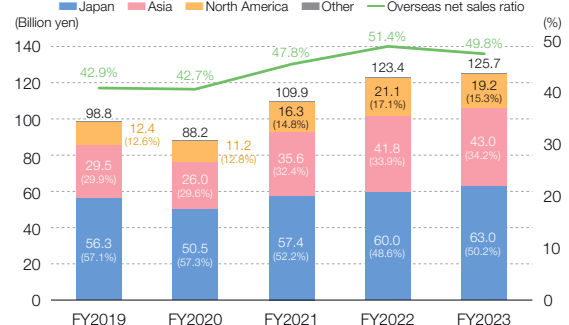
In FY2023, despite the sale of cross-shareholdings, total assets increased due to increase in market value. Meanwhile, the capital ratio declined from the previous fiscal year due to the purchase of treasury shares.

Dividend and Dividend Payout Ratio (Consolidated)



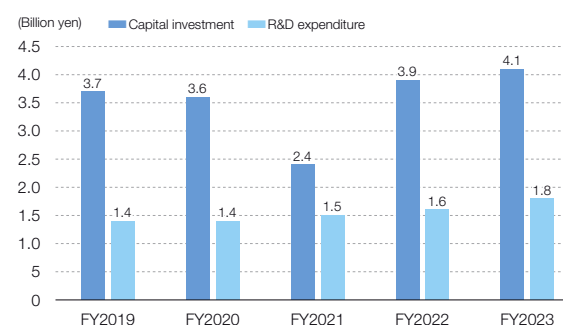
In FY2022, we changed our dividend policy, increasing the consolidated dividend payout ratio from 30% to about 35%. We continued to increase our dividend in FY2023 to a dividend of 32 yen per share, up 7 yen from the previous fiscal year.

Net Sales by Region (Consolidated)



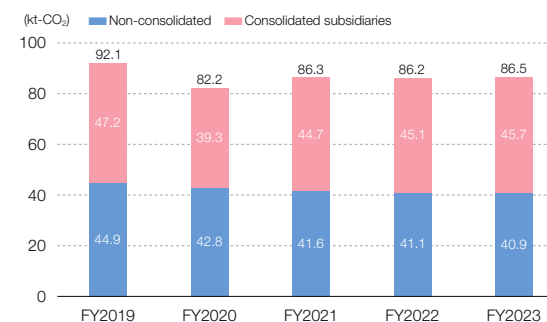
The overseas net sales ratio has increased in recent years. However, in FY2023, domestic net sales exceeded overseas net sales as our domestic sales volume and sales increased.

Capital Investment and R&D Expenditure (Consolidated)



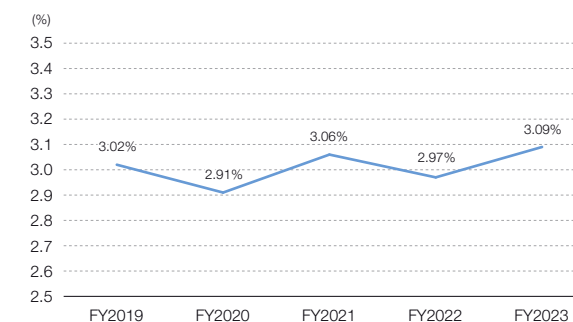
We reinforced the capacity of our production facilities, streamlined operations, and improved product quality while focusing on allocating management resources to growth areas. As a result, capital investment and R&D expenditures reached 4.1 billion yen and 1.8 billion yen, respectively, both up from the previous fiscal year.

Social Value

CO₂ Emissions (Scope 1 and 2)

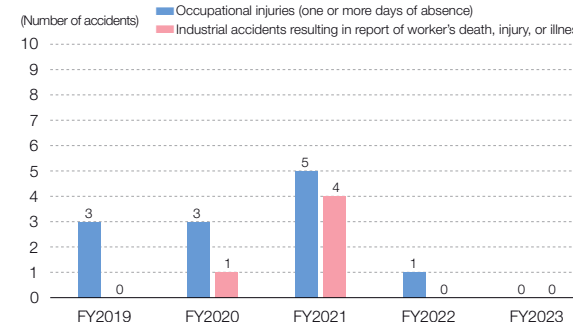
The Company's non-consolidated CO₂ emissions target for FY2030 is 24,139 t (46.2% decrease from FY2019). We will work on reducing CO₂ emissions, seeking to achieve carbon neutrality for the entire Group by 2050.

Ratio of Total Waste to Total Production (Non-consolidated)



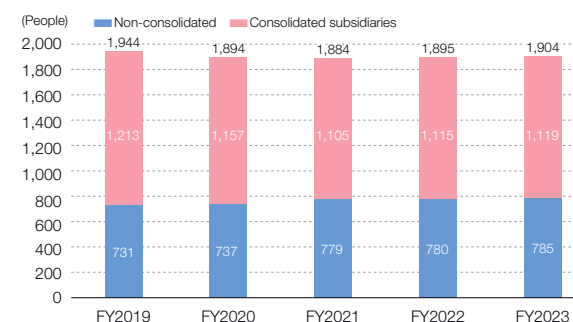
The Company's non-consolidated ratio of total waste to total production for FY2023 increased by 0.12% from the previous fiscal year, affected by the disposal of products held in inventory for a long period of time.

Occupational Injuries Requiring Time Off Work (Domestic)



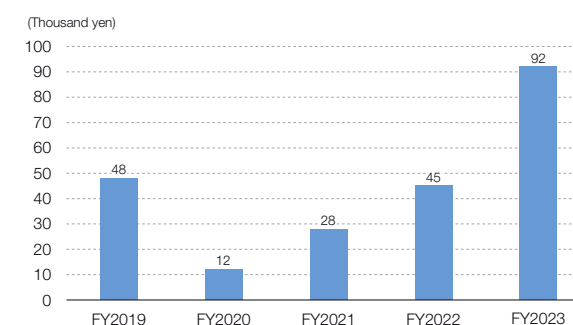
In FY2023, there were no occupational injuries requiring time off work that occurred in Japan (including consolidated subsidiaries).

Changes in Number of Employees



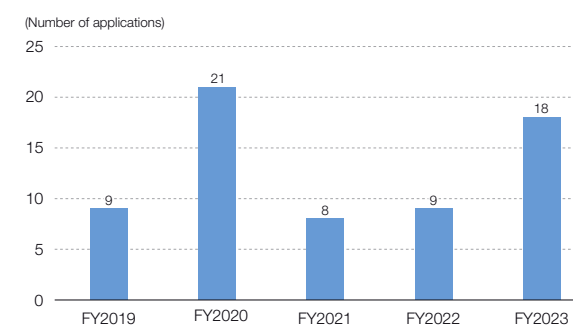
We have been able to secure human resources stably through our recruitment efforts such as referral and alumni hiring, in addition to new graduate hiring and mid-career hiring.

Training Costs per Employee (Non-consolidated)



We focus on developing human resources suited to a "challenger" and strive to hire and develop the human resources we need to carry out our management strategies.

Number of Patent Applications (Non-consolidated)



The Company's non-consolidated number of patent applications for FY2023 was 18, up 9 from the previous fiscal year. By submitting patent applications strategically, we will further strengthen the Group's competitiveness.